

June 2, 2014

United States Bankruptcy Court
For the Eastern District of Michigan
211 West Fort St.
Detroit, Michigan, 48226

FILED (1)

2014 JUN -4 P 12:40

Subject: Objection to "Fourth Amended Plan for the Adjustment of Debts of the City of Detroit"

Honorable Judge Rhodes

U.S. BANKRUPTCY COURT
E.D. MICHIGAN-DETROIT

In 1979, with a strong work ethic inherited from my immigrant parents, I went to work at the Detroit Wastewater Treatment Plant. I worked with hazardous machinery, toxic chemicals and fumes, extreme temperatures, and poor health and safety conditions. Conditions gradually improved somewhat, and having accrued significant seniority, I elected to remain with DWSD, hoping to retire at age 66 to collect my defined pension and Social Security. Unfortunately, in 2012, several years short of my projected retirement date, the City of Detroit imposed changes to the retirement agreements, which made it economically undesirable to continue to work, therefore I retired. Less than one year later, the City of Detroit entered bankruptcy proceedings, and my defined pension benefits, despite being protected by the Michigan Constitution, are going to be significantly reduced.

In May 2014, I received copies of documents pertaining to the City of Detroit's proposed "Fourth Amended Plan for the Adjustment of Debts". The documents were filled with legalese and difficult to understand. The proposed pension reductions place an unfair burden on the retirees and employees of the City of Detroit. I believe that the majority of the employees and retirees are willing to do their part to help Detroit overcome its financial problems. However, I see no indication of the "shared sacrifice" frequently touted by Governor Snyder during his early term of office. The savings contribution from the retirees has been determined to be approximately \$200 to \$300 million. The State of Michigan is currently offering \$195 million (which is less than the estimated \$220 million loss of shared revenue). Similarly, years of the City of Detroit's poor fiscal policy coupled with its failure to collect on tax debts, water delinquencies and other sources of revenue must also share the blame. Popular opinion also suggests that the Federal government's trade policies significantly impacted the loss of manufacturing jobs in Michigan and Detroit. They "bailed out" the automotive companies, can they not also help with Detroit's problem? I ask that the court carefully review all these matters and make appropriate judgment as to whether the proposed pension cuts are justified.

In regards to the contents of the documents themselves and my understanding of the proposed "Fourth Amended Plan for the Adjustment of Debts", I offer the following concerns/objections:

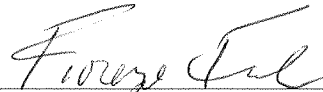
- The proposal is purposely divisive and means to create a schism between the majority of the retirees who will not be significantly affected by the "Annuity Savings Fund Recoupment" (most likely to vote yes), and the minority who used good judgment to participate in this excellent complementary retirement vehicle (a long standing agreement endorsed by the City of Detroit). The Official Committee of Retirees as appointed by the Court, and their Counsel, did not disclose the potential existence of this situation.
- The ASFR (Annuity Savings Fund Recoupment), includes an usurious rate of 6.75%. This is unconscionable. There is no explanation as to why this rate is charged. Current mortgage and loan rates are well below this rate.

Unlike a mortgage or loan, the ASFR term is not precisely specified. The term is based on actuarial projections for the retiree and their beneficiary survivor. If the retirees achieve or exceed their lifetime projections, the amount of the recoupment could be several times the original amount. Full disclosure of these financial elements is not indicated in any of the documents. Rather much like a shady car salesman, the documents are meant to solicit a yes vote based on a bottom line change in monthly pension. Once again the Retiree Committee and their Counsel did not disclose this information. In effect, the retirees had to bring it to their attention.

- This proposed "Plan" offers no relief if the City of Detroit's financial status improves. This entire situation has a parallel to the Chrysler bailout which took place some years ago. The Chrysler employees took pay reductions and made other sacrifices to allow Chrysler to reorganize and improve its condition. When Chrysler's financial status improved, the employees benefitted from same. Why are there no such stipulations in this plan?
- The documents also frequently make reference to "Outside Funding". It is further indicated that this funding may or may not be available, and that the City of Detroit will not make up any shortfalls. If this vote is to be a binding contract specifying the financial terms, why are the retirees asked to vote on uncertain conditions?
- The Retiree Committee appointed by the Court and its Counsel failed to properly inform the retirees of the direction and terms of the negotiations. To the best of my knowledge, the retirees were never offered the opportunity to provide input regarding these matters.
- The Retiree Committee's Counsel recently held informational meetings. They scheduled a two hour meeting during which they explained the proposed plan of adjustment and voting ballot, then left about ½ hour for questions. They did not address many of the other important matters relating to the bankruptcy such as:
 - Status of the various litigation concerning the bankruptcy proceedings.
 - The possible obligations of the State of Michigan per the constitutional provision regarding pensions.
 - The prevalent attitude of the other creditors and the potential impact on the bankruptcy proceedings.
 - Any information regarding an independent review and confirmation of the City of Detroit's financial position including valuation of its major assets (DWSD, Belle Isle, DIA).

Should the Court find that my objections have validity, I respectfully request the Court to urge both parties to continue to negotiate a fair and equitable settlement in this matter. As I mentioned previously, I am willing to share the burden, and do my part to help Detroit through this financial situation. Good faith negotiations and transparency are the key to a quick resolution.

Respectfully Submitted


Fiorenzo Fabris

Attachments: (3) ASF Recoupment Worksheet; Loan Amortization Worksheet; Social Security Actuarial Life Tables

Support Documentation
Addendum to Objection to Plan of Adjustment
Fiorenzo Fabris
27617 Martinsville Rd.
New Boston, MI. 48164

Date	Retiree Age	Beneficiary Age	Monthly Paymt.	Cumulative Paymt.
January-15	64	57	461.02	461.02
February-15	64	57	461.02	922.04
March-15	64	57	461.02	1383.06
April-15	64	57	461.02	1844.08
May-15	64	57	461.02	2305.1
June-15	64	57	461.02	2766.12
July-15	64	57	461.02	3227.14
August-15	64	57	461.02	3688.16
September-15	64	57	461.02	4149.18
October-15	64	57	461.02	4610.2
November-15	64	57	461.02	5071.22
December-15	64	57	461.02	5532.24
January-16	65	58	461.02	5993.26
January-17	66	59	5532.24	11525.5
January-18	67	60	5532.24	17057.74
January-19	68	61	5532.24	22589.98
January-20	69	62	5532.24	28122.22
January-21	70	63	5532.24	33654.46
January-22	71	64	5532.24	39186.7
January-23	72	65	5532.24	44718.94
January-24	73	66	5532.24	50251.18
January-25	74	67	5532.24	55783.42
January-26	75	68	5532.24	61315.66
January-27	76	69	5532.24	66847.9
January-28	77	70	5532.24	72380.14
January-29	78	71	5532.24	77912.38
January-30	79	72	5532.24	83444.62
January-31	80	73	5532.24	88976.86
January-32	81	74	5532.24	94509.1
January-33	82	75	5532.24	100041.34
January-34	83	76	5532.24	105573.58
January-35	84	77	5532.24	111105.82
January-36	85	78	5532.24	116638.06
January-37	86	79	5532.24	122170.3
January-38	87	80	5532.24	127702.54
January-39	88	81	5532.24	133234.78
January-40	89	82	5532.24	138767.02
January-41	90	83	5532.24	144299.26
January-42	91	84	5532.24	149831.5
January-43	92	85	5532.24	155363.74
January-44	93	86	5532.24	160895.98
January-45	94	87	5532.24	166428.22

Predicted Mortality Age based on Social Security Actuarial Life Tables

Loan Amortization Schedule

Enter values	
Loan amount	\$ 66,173.64
Annual interest rate	6.75 %
Loan period in years	25
Number of payments per year	12
Start date of loan	11/1/2015
Optional extra payments	

Lender name:

Loan summary	
Scheduled payment	\$ 457.20
Scheduled number of payments	300
Actual number of payments	300
Total early payments	-
Total interest	\$ 70,986.75

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	2/1/2015	\$ 66,173.64	\$ 457.20	\$ -	\$ 457.20	\$ 84.97	\$ 372.23	\$ 66,088.67	\$ 372.23
2	3/1/2015	\$ 66,088.67	\$ 457.20	\$ -	\$ 457.20	\$ 85.45	\$ 371.75	\$ 66,003.21	\$ 743.98
3	4/1/2015	\$ 66,003.21	\$ 457.20	\$ -	\$ 457.20	\$ 85.93	\$ 371.27	\$ 65,917.28	\$ 1,115.24
4	5/1/2015	\$ 65,917.28	\$ 457.20	\$ -	\$ 457.20	\$ 86.42	\$ 370.78	\$ 65,830.86	\$ 1,486.03
5	6/1/2015	\$ 65,830.86	\$ 457.20	\$ -	\$ 457.20	\$ 86.90	\$ 370.30	\$ 65,743.96	\$ 1,856.33
6	7/1/2015	\$ 65,743.96	\$ 457.20	\$ -	\$ 457.20	\$ 87.39	\$ 369.81	\$ 65,656.57	\$ 2,226.14
7	8/1/2015	\$ 65,656.57	\$ 457.20	\$ -	\$ 457.20	\$ 87.88	\$ 369.32	\$ 65,568.69	\$ 2,595.45
8	9/1/2015	\$ 65,568.69	\$ 457.20	\$ -	\$ 457.20	\$ 88.38	\$ 368.82	\$ 65,480.31	\$ 2,964.28
9	10/1/2015	\$ 65,480.31	\$ 457.20	\$ -	\$ 457.20	\$ 88.87	\$ 368.33	\$ 65,391.43	\$ 3,332.61
10	11/1/2015	\$ 65,391.43	\$ 457.20	\$ -	\$ 457.20	\$ 89.37	\$ 367.83	\$ 65,302.06	\$ 3,700.43
11	12/1/2015	\$ 65,302.06	\$ 457.20	\$ -	\$ 457.20	\$ 89.88	\$ 367.32	\$ 65,212.18	\$ 4,067.76
12	1/1/2016	\$ 65,212.18	\$ 457.20	\$ -	\$ 457.20	\$ 90.38	\$ 366.82	\$ 65,121.80	\$ 4,434.57
13	2/1/2016	\$ 65,121.80	\$ 457.20	\$ -	\$ 457.20	\$ 90.89	\$ 366.31	\$ 65,030.91	\$ 4,800.88
14	3/1/2016	\$ 65,030.91	\$ 457.20	\$ -	\$ 457.20	\$ 91.40	\$ 365.80	\$ 64,939.51	\$ 5,166.68
15	4/1/2016	\$ 64,939.51	\$ 457.20	\$ -	\$ 457.20	\$ 91.92	\$ 365.28	\$ 64,847.59	\$ 5,531.97
16	5/1/2016	\$ 64,847.59	\$ 457.20	\$ -	\$ 457.20	\$ 92.43	\$ 364.77	\$ 64,755.16	\$ 5,896.74
17	6/1/2016	\$ 64,755.16	\$ 457.20	\$ -	\$ 457.20	\$ 92.95	\$ 364.25	\$ 64,662.20	\$ 6,260.98
18	7/1/2016	\$ 64,662.20	\$ 457.20	\$ -	\$ 457.20	\$ 93.48	\$ 363.72	\$ 64,568.73	\$ 6,624.71
19	8/1/2016	\$ 64,568.73	\$ 457.20	\$ -	\$ 457.20	\$ 94.00	\$ 363.20	\$ 64,474.72	\$ 6,987.91
20	9/1/2016	\$ 64,474.72	\$ 457.20	\$ -	\$ 457.20	\$ 94.53	\$ 362.67	\$ 64,380.19	\$ 7,350.58
21	10/1/2016	\$ 64,380.19	\$ 457.20	\$ -	\$ 457.20	\$ 95.06	\$ 362.14	\$ 64,285.13	\$ 7,712.72
22	11/1/2016	\$ 64,285.13	\$ 457.20	\$ -	\$ 457.20	\$ 95.60	\$ 361.60	\$ 64,189.53	\$ 8,074.32
23	12/1/2016	\$ 64,189.53	\$ 457.20	\$ -	\$ 457.20	\$ 96.14	\$ 361.07	\$ 64,093.40	\$ 8,435.39
24	1/1/2017	\$ 64,093.40	\$ 457.20	\$ -	\$ 457.20	\$ 96.68	\$ 360.53	\$ 63,996.72	\$ 8,795.91
25	2/1/2017	\$ 63,996.72	\$ 457.20	\$ -	\$ 457.20	\$ 97.22	\$ 359.98	\$ 63,899.50	\$ 9,155.89
26	3/1/2017	\$ 63,899.50	\$ 457.20	\$ -	\$ 457.20	\$ 97.77	\$ 359.43	\$ 63,801.73	\$ 9,515.33
27	4/1/2017	\$ 63,801.73	\$ 457.20	\$ -	\$ 457.20	\$ 98.32	\$ 358.88	\$ 63,703.42	\$ 9,874.21
28	5/1/2017	\$ 63,703.42	\$ 457.20	\$ -	\$ 457.20	\$ 98.87	\$ 358.33	\$ 63,604.55	\$ 10,232.54
29	6/1/2017	\$ 63,604.55	\$ 457.20	\$ -	\$ 457.20	\$ 99.43	\$ 357.78	\$ 63,505.12	\$ 10,590.32
30	7/1/2017	\$ 63,505.12	\$ 457.20	\$ -	\$ 457.20	\$ 99.98	\$ 357.22	\$ 63,405.14	\$ 10,947.54
31	8/1/2017	\$ 63,405.14	\$ 457.20	\$ -	\$ 457.20	\$ 100.55	\$ 356.65	\$ 63,304.59	\$ 11,304.19
32	9/1/2017	\$ 63,304.59	\$ 457.20	\$ -	\$ 457.20	\$ 101.11	\$ 356.09	\$ 63,203.48	\$ 11,660.28

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
268	5/1/2037	\$ 13,734.97	\$ 457.20	\$ -	\$ 457.20	\$ 379.94	\$ 77.26	\$ 13,355.03	\$ 69,711.34
269	6/1/2037	\$ 13,355.03	\$ 457.20	\$ -	\$ 457.20	\$ 382.08	\$ 75.12	\$ 12,972.95	\$ 69,786.46
270	7/1/2037	\$ 12,972.95	\$ 457.20	\$ -	\$ 457.20	\$ 384.23	\$ 72.97	\$ 12,588.72	\$ 69,859.43
271	8/1/2037	\$ 12,588.72	\$ 457.20	\$ -	\$ 457.20	\$ 386.39	\$ 70.81	\$ 12,202.33	\$ 69,930.24
272	9/1/2037	\$ 12,202.33	\$ 457.20	\$ -	\$ 457.20	\$ 388.56	\$ 68.64	\$ 11,813.76	\$ 69,998.88
273	10/1/2037	\$ 11,813.76	\$ 457.20	\$ -	\$ 457.20	\$ 390.75	\$ 66.45	\$ 11,423.02	\$ 70,065.33
274	11/1/2037	\$ 11,423.02	\$ 457.20	\$ -	\$ 457.20	\$ 392.95	\$ 64.25	\$ 11,030.07	\$ 70,129.59
275	12/1/2037	\$ 11,030.07	\$ 457.20	\$ -	\$ 457.20	\$ 395.16	\$ 62.04	\$ 10,634.91	\$ 70,191.63
276	1/1/2038	\$ 10,634.91	\$ 457.20	\$ -	\$ 457.20	\$ 397.38	\$ 59.82	\$ 10,237.53	\$ 70,251.45
277	2/1/2038	\$ 10,237.53	\$ 457.20	\$ -	\$ 457.20	\$ 399.62	\$ 57.59	\$ 9,837.92	\$ 70,309.04
278	3/1/2038	\$ 9,837.92	\$ 457.20	\$ -	\$ 457.20	\$ 401.86	\$ 55.34	\$ 9,436.05	\$ 70,364.38
279	4/1/2038	\$ 9,436.05	\$ 457.20	\$ -	\$ 457.20	\$ 404.12	\$ 53.08	\$ 9,031.93	\$ 70,417.45
280	5/1/2038	\$ 9,031.93	\$ 457.20	\$ -	\$ 457.20	\$ 406.40	\$ 50.80	\$ 8,625.53	\$ 70,468.26
281	6/1/2038	\$ 8,625.53	\$ 457.20	\$ -	\$ 457.20	\$ 408.68	\$ 48.52	\$ 8,216.85	\$ 70,516.78
282	7/1/2038	\$ 8,216.85	\$ 457.20	\$ -	\$ 457.20	\$ 410.98	\$ 46.22	\$ 7,805.87	\$ 70,563.00
283	8/1/2038	\$ 7,805.87	\$ 457.20	\$ -	\$ 457.20	\$ 413.29	\$ 43.91	\$ 7,392.58	\$ 70,606.91
284	9/1/2038	\$ 7,392.58	\$ 457.20	\$ -	\$ 457.20	\$ 415.62	\$ 41.58	\$ 6,976.96	\$ 70,648.49
285	10/1/2038	\$ 6,976.96	\$ 457.20	\$ -	\$ 457.20	\$ 417.96	\$ 39.25	\$ 6,559.00	\$ 70,687.73
286	11/1/2038	\$ 6,559.00	\$ 457.20	\$ -	\$ 457.20	\$ 420.31	\$ 36.89	\$ 6,138.69	\$ 70,724.63
287	12/1/2038	\$ 6,138.69	\$ 457.20	\$ -	\$ 457.20	\$ 422.67	\$ 34.53	\$ 5,716.02	\$ 70,759.16
288	1/1/2039	\$ 5,716.02	\$ 457.20	\$ -	\$ 457.20	\$ 425.05	\$ 32.15	\$ 5,290.98	\$ 70,791.31
289	2/1/2039	\$ 5,290.98	\$ 457.20	\$ -	\$ 457.20	\$ 427.44	\$ 29.76	\$ 4,863.54	\$ 70,821.07
290	3/1/2039	\$ 4,863.54	\$ 457.20	\$ -	\$ 457.20	\$ 429.84	\$ 27.36	\$ 4,433.69	\$ 70,848.43
291	4/1/2039	\$ 4,433.69	\$ 457.20	\$ -	\$ 457.20	\$ 432.26	\$ 24.94	\$ 4,001.43	\$ 70,873.37
292	5/1/2039	\$ 4,001.43	\$ 457.20	\$ -	\$ 457.20	\$ 434.69	\$ 22.51	\$ 3,566.74	\$ 70,895.88
293	6/1/2039	\$ 3,566.74	\$ 457.20	\$ -	\$ 457.20	\$ 437.14	\$ 20.06	\$ 3,129.60	\$ 70,915.94
294	7/1/2039	\$ 3,129.60	\$ 457.20	\$ -	\$ 457.20	\$ 439.60	\$ 17.60	\$ 2,690.00	\$ 70,933.54
295	8/1/2039	\$ 2,690.00	\$ 457.20	\$ -	\$ 457.20	\$ 442.07	\$ 15.13	\$ 2,247.93	\$ 70,948.68
296	9/1/2039	\$ 2,247.93	\$ 457.20	\$ -	\$ 457.20	\$ 444.56	\$ 12.64	\$ 1,803.37	\$ 70,961.32
297	10/1/2039	\$ 1,803.37	\$ 457.20	\$ -	\$ 457.20	\$ 447.06	\$ 10.14	\$ 1,356.32	\$ 70,971.46
298	11/1/2039	\$ 1,356.32	\$ 457.20	\$ -	\$ 457.20	\$ 449.57	\$ 7.63	\$ 906.74	\$ 70,979.09
299	12/1/2039	\$ 906.74	\$ 457.20	\$ -	\$ 457.20	\$ 452.10	\$ 5.10	\$ 454.64	\$ 70,984.19
300	1/1/2040	\$ 454.64	\$ 457.20	\$ -	\$ 454.64	\$ 452.09	\$ 2.56	\$ -	\$ 70,986.75

Social Security

Official Social Security Website

Actuarial Life Table

Office of the Chief Actuary

Life Tables

A period life table is based on the mortality experience of a population during a relatively short period of time. Here we present the 2009 period life table for the Social Security area population. For this table, the period life expectancy at a given age is the average remaining number of years expected prior to death for a person at that exact age, born on January 1, using the mortality rates for 2009 over the course of his or her remaining life.

Period Life Table, 2009Exact age	Male			Female		
	Death probability ^a	Number of lives ^b	Life expectancy	Death probability ^a	Number of lives ^b	Life expectancy
0	0.006990	100,000	75.90	0.005728	100,000	80.81
1	0.000447	99,301	75.43	0.000373	99,427	80.28
2	0.000301	99,257	74.46	0.000241	99,390	79.31
3	0.000233	99,227	73.48	0.000186	99,366	78.32
4	0.000177	99,204	72.50	0.000150	99,348	77.34
5	0.000161	99,186	71.51	0.000133	99,333	76.35
6	0.000150	99,170	70.53	0.000121	99,320	75.36
7	0.000139	99,155	69.54	0.000112	99,308	74.37
8	0.000123	99,141	68.55	0.000104	99,296	73.38
9	0.000105	99,129	67.55	0.000098	99,286	72.39
10	0.000091	99,119	66.56	0.000094	99,276	71.39
11	0.000096	99,110	65.57	0.000098	99,267	70.40
12	0.000135	99,100	64.57	0.000114	99,257	69.41
13	0.000217	99,087	63.58	0.000143	99,246	68.41
14	0.000332	99,065	62.60	0.000183	99,232	67.42

48	0.004444	93,457	31.06	0.002800	96,193	34.82
49	0.004878	93,042	30.20	0.003032	95,924	33.92
50	0.005347	92,588	29.35	0.003289	95,633	33.02
51	0.005838	92,093	28.50	0.003559	95,319	32.13
52	0.006337	91,555	27.66	0.003819	94,980	31.24
53	0.006837	90,975	26.84	0.004059	94,617	30.36
54	0.007347	90,353	26.02	0.004296	94,233	29.48
55	0.007905	89,689	25.21	0.004556	93,828	28.60
<u>56</u>	0.008508	88,980	24.41	0.004862	93,400	<u>27.73</u>
57	0.009116	88,223	23.61	0.005222	92,946	26.87
58	0.009723	87,419	22.82	0.005646	92,461	26.00
59	0.010354	86,569	22.04	0.006136	91,939	25.15
60	0.011046	85,673	21.27	0.006696	91,375	24.30
61	0.011835	84,726	20.50	0.007315	90,763	23.46
62	0.012728	83,724	19.74	0.007976	90,099	22.63
<u>63</u>	0.013743	82,658	<u>18.99</u>	0.008676	89,380	21.81
64	0.014885	81,522	18.24	0.009435	88,605	20.99
65	0.016182	80,308	17.51	0.010298	87,769	20.19
66	0.017612	79,009	16.79	0.011281	86,865	19.39
67	0.019138	77,617	16.08	0.012370	85,885	18.61
68	0.020752	76,132	15.39	0.013572	84,823	17.84
69	0.022497	74,552	14.70	0.014908	83,672	17.08
70	0.024488	72,875	14.03	0.016440	82,424	16.33
71	0.026747	71,090	13.37	0.018162	81,069	15.59
72	0.029212	69,189	12.72	0.020019	79,597	14.87
73	0.031885	67,168	12.09	0.022003	78,003	14.16
74	0.034832	65,026	11.47	0.024173	76,287	13.47
75	0.038217	62,761	10.87	0.026706	74,443	12.79
76	0.042059	60,363	10.28	0.029603	72,455	12.13
77	0.046261	57,824	9.71	0.032718	70,310	11.48
78	0.050826	55,149	9.16	0.036034	68,010	10.86
79	0.055865	52,346	8.62	0.039683	65,559	10.24
80	0.061620	49,421	8.10	0.043899	62,957	9.65